

HOUSE BILL 443

Q7

01r2009

By: **Delegates Ivey, Vallario, Bartlett, Cardin, Elmore, Frick, George, Gilchrist, Howard, Kaiser, Murphy, Myers, Olszewski, Rice, Shank, Stukes, F. Turner, and Walker**

Introduced and read first time: January 29, 2010

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Inheritance Tax – Exemption – Spouses of Predeceasing Descendants**

3 FOR the purpose of providing an exemption from the inheritance tax for certain
4 property that passes from a decedent to or for the use of a surviving spouse of a
5 deceased child or of a deceased lineal descendant of a child of the decedent;
6 providing for the application of this Act; and generally relating to an exemption
7 from the inheritance tax for certain property that passes from a decedent to or
8 for the use of a surviving spouse of a deceased child or a deceased lineal
9 descendant of a child of the decedent.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – General
12 Section 7–203(b)
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2009 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – Tax – General**

18 7–203.

19 (b) (1) (i) In this subsection the following words have the meanings
20 indicated.

21 (ii) “Child” includes a stepchild or former stepchild.

22 (iii) “Parent” includes a stepparent or former stepparent.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) The inheritance tax does not apply to the receipt of property that
2 passes from a decedent to or for the use of:

3 (i) a grandparent of the decedent;

4 (ii) a parent of the decedent;

5 (iii) a spouse of the decedent;

6 (iv) a child of the decedent or a lineal descendant of a child of the
7 decedent;

8 (v) a spouse of a child of the decedent or a spouse of a lineal
9 descendant of a child of the decedent;

10 **(VI) A SURVIVING SPOUSE OF A DECEASED CHILD OF THE**
11 **DECEDENT OR OF A DECEASED LINEAL DESCENDANT OF A CHILD OF THE**
12 **DECEDENT WHO WAS MARRIED TO THE CHILD OR LINEAL DESCENDANT OF THE**
13 **CHILD AT THE TIME OF THE CHILD’S OR LINEAL DESCENDANT’S DEATH;**

14 ~~[(vi)]~~ **(VII)** a brother or sister of the decedent; or

15 ~~[(vii)]~~ **(VIII)** a corporation, partnership, or limited liability
16 company if all of its stockholders, partners, or members consist of individuals specified
17 in items (i) through ~~[(vi)]~~ **(VII)** of this paragraph.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2010, and shall be applicable to all decedents dying on or after July 1, 2010.